

# Realty Stock Review

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## MARKET STRATEGY: TAX PACKAGE CROWNS INCOME KING, BOOSTS REITS IN FINAL DEAL

Get it now! That's the clear message from Congress where conferees have just agreed upon outlines of an overhaul of the tax code. Much detail work remains before this agreement reaches the floors of Congress as a tangible bill - so some important details still could change.

But income is crowned king. Individual rates fall from 50% to 28% (a 44% cut) and the corporate rate falls from 46% to 34%. Capital gains go out the window, meaning both stock and property traders can spend more time picking the right vehicles and less in the gamesmanship of qualifying for long-term gains.

All this puts new focus on two pass-through vehicles which distribute income to owners without corporate tax:

--REITs, an established and accepted vehicle for investors. REITs were the only real estate vehicle to win something from Congress. The tax reform package contains a number of improvements to REIT rules that should let REITs operate more simply and efficiently. Among the changes: REITs will now be able to operate thru wholly owned subsidiaries; they will be able to manage properties and provide services to tenants just as tax-exempt pension plan

owners can do; and they can share in net income of a tenant or borrower under certain cases.

--MLPs, or tradable master limited partnerships, just now becoming popular with investors. There had been rumbles that Congress would clamp down on MLPs in this tax reform but MLPs escaped the final trimming. MLPs can do anything a limited partnership can do if they follow rules on ownership and risk sharing (a general partner is responsible for all liabilities).

New ways to use the MLP vehicle are springing up daily now that Congress has acted: one owning a Long Island shopping mall (**EQK Green Acres L.P.**) came public this week; several homebuilders and developers operate as MLPs (see **NVHomes**, RSR June 27); several pool mortgages (see **CRI Mortgage I and II**, RSR July 25); and a mortgage banker in MLP format plans a stock offering (**Commonwealth Mortgage**). (RSR identifies MLPs with an "LP" before their names on pages 7-8).

We review briefly beginning on P. 2 several REITs and MLPs which use a tax shelter undisturbed by Congress. And we've added names to our list of income stocks on P. 2 for your consideration. One caution: high yields may be a warning flag so we try to outline risks along with the potential income rewards.

DEPARTMENTS INSIDE			
Portfolio Selector.....	2	Comparative Statistics...	6-8
Appraised asset values..	5	Group Action Summary.....	8
RSR Stock Rankings.....	8	<b>REVIEWS &amp; COMMENTS</b>	
		EQK Green Acres L.P.....	4
		EQK Realty Inv.....	3
		Harris-Teeter Props...	4
		Kaufman & Broad Homes.	5
		Linpro Specified Prop.	3

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## PORTFOLIO SELECTOR: STOCKS SUITABLE FOR SHAPING HOLDINGS TO YOUR PORTFOLIO GOALS

We list below stocks we believe are currently usable in your portfolio, whatever your specific investment goals. Purchases (or sales) should be made at or near prices obtaining on the publication date, but we are not listing specific buy (or sell) points, to avoid conflict with money management clients.

The broad variety of securities included in RSR lets you target your holdings to your investment appetite, from very conservative to very aggressive; from high income to zero income; and from geographic regions and property types you desire. We've listed securities under a number of headings (a security may appear in more than one list) that could fit into any one of several possible investment strategies in today's investment climate. Changes this month are:

--We've added a new Financial Service group that includes initially: **Ameribanc Investors Group**, a former REIT that now owns a Virginia S&L; its proposed merger into NCNB Corp. has been scrubbed; **Lomas & Nettleton Financial**, largest U.S. mortgage banker; **Northeast-**

**tern Mortgage**, rapidly growing Boston mortgage banker which came public in May (RSR, May 23); **Southmark Corp.**, also a former REIT now expanding into life insurance; and **Unicorp American**, property owner which is now trying to buy Atlantic Federal S&L of Ft. Lauderdale, in which I.R.E. Financial already has a stake.

--**EQK Realty** and **EQK Green Acres L.P.** are added to Tax-Sheltered Income group; both are reviewed this issue.

--**Meditrust** is added to the Leasebacks - Income group; it sold 4.6 mil. shs. at \$26 this week to raise \$120 mil. for new investment.

--**Southwest Realty Ltd.** is deleted from the sheltered income category after omitting its dividend for Sept. SWL owns apartments in oil-impacted Texas and had been paying 60¢ not fully covered by cash flow.

We've simplified the presentation of our Portfolio Selector, reduced its print size slightly, and added dates of RSR reviews in the past year to aid you.

## INCOME INVESTOR: THE TAX SHELTER THAT GOT AWAY HAS BOTH PROMISES AND RISKS

It's called "original issue discount" or OID and it occurs when companies sell

### PORTFOLIO SELECTOR LIST OF REALTY STOCKS FOR CURRENT INVESTMENT

OWNERS BY REGION	DIVERSIFIED PROPS.	Medical	LEASEBACKS - INCOME	AGGRESSIVE RECOVERY
<b>Northeast</b>	Bay Fincl.(8/23/5)	Beverly Inv.(12/20/5)	Beverly Inv.(12/20/5)	Americana Hot(3/28)
Federal Rl.(2/28)	First Union RE(2/28)	Health Care REIT	Health Care REIT	ConCap Income Op.
Gould LP	HRE Props.(2/14)	Health Care Pr.(4/11)	Health Care Pr.(4/11)	Equitec Financial
New Plan Rlty(11/22/5)	Mortgage Growth(3/14)		<u>Meditrust</u> (10/25/5)	Fairfield Comm(7/25)
Penn. REIT (11/22/5)	Property Cap(10/25/5)		One Liberty Pr.(3/28)	Integrated Res.(5/23)
Presidential Rl.	Rouse Co.(5/9)	<b>ENTREPRENEURIAL OWNERS</b>		Johnstown Amer.(1/10)
Prudential Rl.(9/13/5)	Santa Fe So.Pac.	Federal Rlty(2/28)	<b>TAX-SHELTERED INCOME</b>	Pulte Home (8/8)*
Rockefeller Ctr(4/11)	B.F.Saul REIT (5/9)	Forest City Ent(7/11)	<u>EQK Green Ac.</u> (8/22)*	<u>Reading Co.</u> (6/13)
Washington REIT(4/25)		Koger Co./Props.(5/9)	<u>EQK Rlty.</u> (8/22)*	Southland Finc.(6/13)
<b>Midwest</b>	<b>BY PROPERTY TYPE</b>	New Plan Rl.(11/22/5)	Koger Co./Pr.(4/11)	Southmark Cp.(11/8/5)
<b>Bradley RET</b>	<b>Shopping Centers</b>	Perini Inv. Prop.	MSA Realty(3/14)	
Duke Rlty. (2/28)	Federal Rlty(2/28)	Rouse Co. (5/9)	Rock. Ctr. Pr.(4/11)	<b>BUILDERS/DEVELOPERS</b>
EQK Realty (8/22)*	First Union RE(2/28)		Trammel Crow (12/6/5)	<u>Houses/Mfg.Hsg.</u>
Forest City En.(7/11)	Intl. Income Pr.(3/14)	<b>MORTGAGES - INCOME</b>	Turner Equity (4/11)	Centex Corp.
MSA Realty (3/14)	New Plan Rl.(11/22/5)	<b>Fixed-rate</b>		Clayton Homes(10/11/5)
<b>South/Southwest</b>	Rouse Co.(5/9)	Countrywd Mtg(9/13/5)		Hovnanian Ent(5/23)
Cenvill Inv.(4/11)	Weingarten Rl.(8/23/5)	CRI Insur. Mtg.(7/25)	<b>NOTABLE NEWCOMERS</b>	Leisure Tech.(8/8)*
Koger Co. (5/9)	Western Inv.RE(3/28)	First Contl. REIT	Copley Prop.(7/26/5)	MDC Holdings (8/8)*
IRT Prop.Co.(3/14)	<b>Offices</b>	Lomas & Net.MI(9/27/5)	Lincoln Rl.(12/20/5)	Ridgewood Pr.(2/28)
Prop.Tr.Amer.(2/14)	HRE Props.(2/14)	Lomas Mtg. Cp(9/13/5)	Ridgewood Pr.(2/28)	Trammell Crow(12/6/5)
Trammell Crow(12/6/5)	ICM Prop.Inv.(4/11)	Strategic Mtg.(3/28)	Del Webb Inv.(8/23/5)	Weingarten Rl(8/23/5)
United Dom.Rl.(4/11)	Koger Co./Prop.(5/9)	<b>Participating</b>		
Weingarten Rl(8/23/5)	Property Cap(10/25/5)	L&N Hsg. Corp.(4/11)	<b>FINANCIAL SERVICE</b>	
<b>Far West</b>	Prudential Rl(9/13/5)	Lincoln Rlty.(12/20/5)	<u>Ameribanc Inv. Group</u>	<u>Ameribanc Inv. Group</u>
BankAmer.Rlty(10/25/5)	Southland Finc.(6/13)	Mellon Partic. Mtg.	<u>Lomas &amp; Net.Fin.</u> (9/27/5)	<u>Lomas &amp; Net.Fin.</u> (9/27/5)
California REIT(4/25)	Turner Equity (4/11)	Mtg.Invest.Plus(6/13)	<u>Northeastern Mtg.</u> (5/23)	<u>Southmark Corp.</u> (11/8/5)
Copley Props.(7/26/5)	<b>Hotels/Specl.</b>	Realty South (4/11)	<u>Southmark Corp.</u> (11/8/5)	<u>Unicorp Amer.</u> (5/9)
REIT of Calif.(3/28)	Burger King Inv.(2/28)	Rock. Ctr.Pr.(4/11)		
Santa Anita Rl.(4/25)	Hotel Props.(4/25)	Travelers REIT (6/13)		
Western Inv.Tr.(3/28)	Hotel Inv.(11/22/5)			

\* Reviewed in Aug. issues. Additions or changes underlined. # Recent client. Review dates within last year shown.



debt at deep discounts - mainly zero coupon bonds. Congress didn't crack down on OID because it was touted as a loophole closer when enacted several years ago. Wall Street simply pairs taxable and tax-exempt investors to skirt the loophole-closer.

It works like this, using **EQK Realty Investors** for example. Late in 1985 EKR sold \$94.7 mil. face amount of zeros for \$45 mil., or 47.5% of par. Funds were used to buy EKR shares in the market. EKR is required to amortize the 7-year debt at an effective interest cost of 10.92% but this noncash charge doesn't affect cash flow. Hence EKR has elected to pay this cash to investors as income on which tax is deferred (i.e., sheltered from current tax). OID shelters 60% (or \$1.00) of \$1.66 payout.

The deal works because EKR sold the zeros mostly to tax-exempt investors who don't pay any tax when they amortize their interest income. Thus IRS doesn't collect the interest income it thought it would get when it sought the OID rules. One caution: OID shelters in effect accelerate your receipt of part of underlying real estate values by converting future expected property appreciation into current tax-deferred income. But if property doesn't appreciate as expected, you could wind up in trouble when the zeros come due.

EKR shs. are yielding over 10% because office re-leasing in Atlanta and Indianapolis has fallen behind expectations as EKR must give rent concessions to keep tenants. Its third property, a Harrisburg, Pa. shopping mall, is doing well but doesn't pick up the slack. Longer-term, we see EKR as having appreciation potential. **Rockefeller Center Properties** and **Trammell Crow Realty** also have similar shelters, as does **EQK Green Acres**, reviewed this issue.

#### NEW LISTINGS IN RSR: TWO PROPERTY REITS, ONE MLP AND FAMILIAR HOMEBUILDER ADDED

**Linpro Specified Properties** sold 1.836 mil. shs. at \$10 July 23 in its initial public offering. It listed on the ASE under LPO symbol. LPO will acquire a

68% equity interest in eight substantially leased commercial and industrial properties presently owned by operating entities of the sponsor. LPO will operate as a finite-life REIT and will dispose of investments by June 30, 1996.

EPS/Dividends: Although most properties have individual operating histories, LPO has no operating history. On a pro forma basis the properties would have produced 88¢ operating net cash flow in the year to Mar. 1986. LPO will receive a preferential noncumulative return of 10.25% of unrecovered capital (i.e., initial sales price) from net cash flow. Hence a \$1.03/sh. dividend is projected for each of ten years. A big play for investors is liquidation distributions in 1996; LPO estimates these to be \$21.52/sh. based upon 6% rental growth and a 9% capitalization rate on property sale, for a 16.0% internal rate of return. Investors may wish to make varying assumptions. Comment: The structure replicates direct property ownership but shares are unlikely to be dynamic market performers until property results become clearer.

LPO will acquire a 68% interest in **Linpro Income Fund I**, a Penn. general partnership owned 30% by a Minority Partner (itself a partnership of investors with different tax motives than stock investors); and **Linpro Natl. Corp.**, a unit of **Linpro Equities**. **Linpro** was formed in 1972 as the north-eastern unit of national developer **Lincoln Property Co.**, Dallas, and became independent in 1977. **Linpro** entities have developed over 5 mil. sq. ft. commercial space and 12,500 apartments.

Assets: The Fund will acquire six offices (78% of cost), one shopping center (16%), and one warehouse (6%):

Project/Location	Th.SF	Mil.\$
Academy Downs, Lakewood, CO..117T		\$10.8
Twin Forks Off.Pk.,Raleigh,NC. 73		6.9
1 Greentree Ctr., Marlton,NJ. 55		6.4
2 Greentree Ctr., Marlton,NJ. 56		6.7
3 Greentree Ctr., Marlton,NJ. 68		9.0
Greentree Sq. SC, Marlton,NJ.110		10.3
Lincoln Ctr., Parsippany, NJ. 78		9.5
Iron Run Whs., Allentown, PA. 96		4.0
TOTALS.....	654T	\$63.7

Financing: The Fund will pay \$63.7 mil. (or 95% of appraised value), for



properties financed with \$48.7 mil. mortgage debt over \$16.4 mil. initial capital; LPO will pay 98.6% of the Fund's initial capital but only 78.9% of capital after Minority Partner pays \$3.24 mil. in staged payments over three years. Properties are 95.9% leased now and Linpro entities will lease vacant or expected vacant space for three years to bring occupancy to 99.5%.

**Exposure:** LPO's 3-to-1 initial leverage is high compared to other recent REIT offers but the sponsor's master leases ease risks.

**Harris-Teeter Properties Inc.** is a new REIT which sold 2.3 mil. shs. at \$10 Aug. 8. It trades on the ASE under HTP symbol. HTP is sponsored by Harris-Teeter, Southeastern supermarket chain owned by Ruddick Corp. (also ASE).

**EPS/Dividends:** HTP expects to pay approx. 9.5%-10.0% on initial investment, or estimated 95¢ - \$1.00 payout.

**Assets and Operations:** HTP will invest in nine shopping centers in N.C., S.C. and Vir. with 541,360 sq. ft., including 196,850 SF of planned construction. All centers will be anchored by a Harris-Teeter Super Market, whose nine stores will occupy 223,200 SF or 41% of space. Over the next 18 months HTP will invest in both equity ownership and mortgages on the nine centers, including two guaranteed construction loans that convert into permanent loans. Specifically HTP will pay \$3.1 mil. (15% of \$21 mil. net proceeds) for fee ownership of three centers; \$3.6 mil. (or 17%) for partnership interests ranging from 24.75% to 49.5% in the other six centers; and \$13.8 mil. (66%) in mortgages on four centers. This leaves 2% of cash for other investments. HTP's estimated investments by Dec. 1987:

--HTP Invest.--

<u>Center/City</u>	<u>Th.SF</u>	<u>Equity*</u>	<u>Mtgs**</u>
Biltmore Pkwy....	53.5N	\$0.37LP	\$3.02C
Asheville, NC			
Galleria.....	67.9	0.41LP	5.56P
Wrightsville Bch, NC			
Lancaster Plaza...26.0		0.91F	None
Lancaster, SC			
Litchfield Lndg...42.2		0.65F	None
Litchfield Bch, SC			
No. Village Ctr...60.4		0.35LP	None
No.Myrtle Bch,SC			

Spartanburg, SC...	58.4N	0.62LP	3.12C
Taylorsville, NC...	30.8	1.56F	None
Waterlick Plaza...	84.0N	0.44LP	None
Lynchburg, VA			
Willowdaile.....	118.3	1.41LP	2.25P
Durham, NC			
Totals.....	541.4	\$3.12F	\$13.95z
		\$3.60LP	

\* Ownership: F=Fee; LP=Limited partner.

\*\* Loans: C=Construction; P=Permanent.

N=New construction, all or part.

z-Before \$114,000 prepayment reduction.

**Financing:** Three centers (Litchfield Landing, North Village and Waterlick Plaza) are leveraged with \$4.6 mil. third-party existing or expected mortgage debt when additions are done. Two centers (Lancaster and Taylorsville) will be owned free and clear.

**Exposure:** HTP will depend upon Harris-Teeter, a rapidly growing supermarket chain operating 112 stores in the Southeast. The combination investment format may yield good results over time.

**EQK Green Acres L.P.** sold 9.26 mil. limited partnership units Aug. 21 at \$10. Units trade on the NYSE under EGA symbol. EGA will buy the 1.38 mil. sq. ft. Green Acres Mall on Sunrise Hwy. in Valley Stream and Hempstead, L.I. about 1 mi. from the New York City line. It is being sold by a partnership owned 88.9% by Equitable Life Assurance and 11.1% by Kravco Co., an Equitable affiliate, and partnerships organized by it. Most investors in Kravco and its limited partnerships will retain a 9% interest represented by 913,000 units.

**CFS/Dividends:** EGA intends paying operating cash flow amounting to 22.5¢ unit (90¢ annual rate) starting in the Dec. qtr. (after a stub payout for the Sept. qtr.), and estimates about 95¢ for 1987. Distributions are expected to be fully tax-sheltered by original issue discount on \$104 mil. face amount zero coupon note on the property. Amortization of mortgage recording fees should provide about 7¢ losses which investors may apply to other income subject to limits in the proposed tax changes. The yield is equal to \$1.32 fully taxable under proposed 28% individual tax rate.

**Asset:** Green Acres Mall was built in 1958 and extensively renovated in



1982-83 after Equitable bought it in 1977. It is anchored by four department stores (Sears, Roebuck which owns its building subject to a ground lease; J.C. Penney; Stern's; and Abraham & Straus, which replaced Gimbel's). Together they rent 44% of space at about \$2.42/SF base or current rent (excluding Sears ground rent). A total 201 tenants occupy 622,700 SF mall and outparcel space at \$14.91/SF base rent. Vacancy of 22,052 SF equals 3.4% of non-anchor space. About 71% of space is occupied by national or regional tenants. Mall tenants with percentage rent clauses reported \$320/SF sales in 1985, up 8.76%. EGA plans to hold the mall for 8.5-13.5 yrs.

**Financing:** EGA simultaneously placed privately a zero coupon note with \$104 mil. face amount for \$44 mil. (\$42.9 mil. net cash proceeds). The zero is 32% now, and 76% at maturity, of the \$137.3 mil. current appraised value. The note has a 10.4% implicit interest rate. The note matures in 8.5 years.

**Exposure:** This single-property LP will perform in line with its trade area on Long Island, currently strong but with a 740,000 population growing slowly (only 2% growth expected for the 1980 decade) and about \$33,800 average household income.

**Kaufman & Broad Home Corp.** came public Aug. 1 by selling 2.0 mil. shs. at \$12. Shares trade on the NYSE under KBH symbol. Simultaneously parent Kaufman & Broad (which retained 92.6% ownership of the 27.0 mil. shares of this subsidiary) sold \$30 mil. of its 7.5% subordinated debentures due 2006 exchangeable into KBH shares at \$14.40/sh. (a 20% premium). Full exchange would add 2.08 mil. shs. to KBH's public float. Proceeds were to repay \$21.6 mil. debt to the parent. We are ranking KBH at C.

**EPS/Dividends - C:** KBH earned 92¢ pro forma in its Nov. 1985 year, including \$10.8 mil. (43¢) pretax net gain on sale of \$900 mil. loan servicing rights by its mortgage banking subsidiary, International Mtg. Co. EPS of 28¢ in the six months thru May were down 3.5% because loan servicing sales fell 96% to 1.6¢ pretax. The offer thus was priced at 13.2 times the 91¢ latest 12 mon. EPS. Dividends of approx. 1% of

offer price (12¢ yearly) are expected.

**Assets and Operations:** Once a national homebuilder, KBH has focused upon becoming a strong regional builder and believes its 2% market share in Calif. makes it that state's largest builder. It also builds in Paris, France and Toronto. KBH delivered 3,314 homes in 1985, up 45%, derived 55% Calif., 41% France, 4% Canada. Deliveries rose 42% in the half year to May 1986, with Calif. at 59% of deliveries and France 35%. May backlog of 1,938 DU is up 46%. KBH owns 8,184 improved or unimproved lots (75% in Calif.) and has another 8,863 optioned.

**Financial Measures - B:** Debt of \$107.7 mil. is 0.8 times equity of \$136.6 mil. equity (\$5.06/sh. including 24¢ goodwill). About 47% of debt is due to affiliates. KB plans to maintain at least an 80% ownership in KBH, so it can consolidate KBH results for tax purposes, and holds an option to buy 2.75 mil. shs. to maintain this ownership.

#### APPRAISED ASSET VALUE COMPARISONS

	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
BANKAMER REALTY	7/85	\$33.75a	-1.5%
CLEVETRUST RLTY #	12/84	\$23.89	-43.5%
EQK RLTY INV I	12/85	\$19.10	-16.2%
FIRST UNION RE#	12/85	\$23.37	4.3%
INTL INCOME PR#	12/85	\$13.55	-9.6%
LANDSING INST V	6/85	\$ 9.26	-59.5%
NATL CAPITAL RE	12/85	\$ 5.14	-61.1%
NEW PLAN RLY TR#	7/85	\$11.10	25.0%
PROPERTY CAPITAL	7/84	\$21.70	11.8%
PRU RL CAPITAL	12/85	\$ 1.66	-24.7%
SANTA ANITA	12/85	\$25.96	11.7%
SIERRA RE EQ82#	12/85	\$10.63	-8.3%
SIERRA RE EQ83#	12/84	\$10.24	-8.4%
SIERRA RE EQ84#	3/85	\$ 8.44	-5.2%
USP RL EST INV#	12/85	\$13.44	-25.6%
WELLS FARGO M&E	6/86	\$30.22a	-8.6%
AVERAGE			-13.7%
OPERATING COMPANIES			
BAY FINCL CORP	5/86	\$45.20	-38.9%
BENEQUITY HLDGS	2/85	\$27.72	-17.9%
FAIRFIELD COMM	2/86	\$19.58	-55.9%
KOGER CO#	3/86	\$22.97	25.2%
NEWHALL INV PR#	12/85	\$19.42	-9.2%
NEWHALL LAND	12/85	\$25.68	48.0%
PERINI INV PR#	6/86	\$18.96	-20.9%
ROUSE CO#	12/85	\$30.12	4.6%
SAUL (BF) REIT#	9/85	\$25.54	-28.5%
SOUTHWEST RLTY#	12/85	\$16.68	-73.0%
TRANSAMER RLTY	11/85	\$15.43	-6.8%
UNICORP AMER	12/85	\$17.70	-20.9%
AVERAGE			-16.2%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: Koger Co. values set by independent appraisers; New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages.



RANK	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM- AUG 06 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$		
D	AMERICANA HOTEL	NY-AHR	2	5787	15.56	0.00 JUN	-1.70 ↓	9.50	0.0	-9.5	0.0	-38.9	-10.9	55.0	
A	BANKAMER REALTY	NY-BRE	2	7850	17.86\$	2.40 APR	4.18	33.25	1.5	27.9	8.0	86.2	23.4	261.0	
*	BEVERLY INV PROP	NY-BIP	1	5895	17.56	2.45 ↑ MAR	1.56	25.63	5.1	34.9	16.4	45.9	8.9	151.1	
A	BRADLEY RL EST	OC-BRLYS	1	2240	3.09	0.80 MAY	0.60 ↓	16.50	0.0	22.2	27.5	4.8	434.0	19.4	37.0
C	BRT REALTY	AS-BRT	3	2192	9.60	1.60 ↑ JUN	1.56 ↑	16.50	10.0	120.0	10.6	9.7	71.9	16.3	36.2
B	CALIFORNIA REI	NY-CT	1	4780	9.35	1.28 ← JUN	1.05 ↑	11.88	10.5	1.1	11.3	10.8	27.0	11.2	56.8
*	F-CENTENNIAL REIT	OC-CNTRS	1	1737	8.87	1.04 ---	0.00	8.75	-7.9	-12.5	0.0	11.9	-1.4	0.0	15.2
*	CENTRAL REALTY	OC-CMRT	2	1380	0.52	0.00 MAR	-0.14 ↓	0.50	0.0	-20.0	0.0	0.0	-3.8	-26.9	0.7
C	CENVILL INVSTR	NY-CVI	2	7007	13.03	2.00 ← JUN	2.06 ↓	18.50	5.0	8.8	9.0	10.8	42.0	15.8	129.6
B	CLEVETRUST RLTY #	OC-CTRS	2	1998	18.50\$	2.00 MAR	1.91 ↓	13.50	3.8	-20.6	7.1	14.8	-27.0	10.3	27.0
*	COMMONWLT RLTY#	OC-CRTYZ	1	1468	9.80	0.00 MAY	1.76 ↓	12.00	0.0	9.1	6.8	0.0	22.4	18.0	17.6
*	F-CON CAP INC OPPT	OC-CCOTS	2	12280	17.03	1.70 ← JUN	0.46 ↓	13.25X	3.0	-11.7	28.8	12.8	-22.2	2.7	162.7
*	CONSOL CAP INCOME	OC-CCITS	3	13358	19.22	2.40 ← JUN	-0.11 ↑	13.00X	-5.7	-12.6	0.0	18.5	-32.4	-0.6	173.7
B	CONSOL CAP RLTY#	OC-CCPLS	2	5966	8.99	0.40 ↓ MAY	1.72 ↑	7.25X	-9.5	-40.8	4.2	5.5	-19.4	19.1	43.3
*	CONSOL CAP SPECT	OC-CCSTS	3	12293	16.94	2.16 ← JUN	-1.70 ↓	10.88X	-3.9	-13.0	0.0	19.9	-35.8	-10.0	133.7
*	COPLEY PROPS	AS-COP	2	4008	18.67	1.66 ↑ JUN	1.48	19.50X	4.8	15.6	13.2	8.5	4.4	7.9	78.2
*	COUNTRYWIDE MTG	AS-CWM	3	7370	10.88	2.32 JUN	2.23	17.88	12.6	72.3	8.0	13.0	64.3	20.5	131.7
*	F-CRI INS MTG II	NY-CII	3	8536	19.16	1.70 ↑ DEC	1.54	19.75	2.6	-1.3	12.8	8.6	3.1	8.0	168.6
B	DEL-VAL FINCL	AS-DVL	3	3105	9.48	1.74 JUN	1.81 ↓	19.88X	6.1	22.3	11.0	8.8	109.7	19.1	61.7
*	F-DUKE RLTY-CAPITAL	NY-DRE	1	7520	1.01	0.00 ---	0.00	1.25	0.0	-37.5	0.0	0.0	23.8	0.0	9.4
*	F-DUKE RLTY-INCOME#	NY-DREPR	1	7520	8.00	0.83 MAR	0.82	7.75X	7.9	-3.1	9.5	10.7	-3.1	10.3	58.3
A	EASTGROUP PROPS	AS-EGP	1	2684	19.55	2.60 MAY	3.25	28.75	0.0	-11.9	8.8	9.0	47.1	16.6	77.2
B	EASTOVER CORP	OC-EASTS	2	1278	14.66	2.00 ← JUN	1.60 ↓	18.25	5.8	-12.6	11.4	11.0	24.5	10.9	23.3
*	F-EQK RLTY INV I	NY-EKR	1	7600	16.65\$	1.66 JUN	0.67	16.00	1.6	-7.9	23.9	10.4	-3.9	4.0	121.6
A	FEDERAL REALTY#	NY-FRT	1	11581	8.53	1.04 MAR	1.28	21.88	8.0	29.6	17.1	4.8	156.4	15.0	253.3
B	FIRST CONTNL REIT	OC-FCRES	3	4103	9.55	0.28 ↓ MAY	0.64	4.13	-2.9	-31.3	6.4	6.8	-56.8	6.7	16.9
A	FIRST UNION RE#	NY-FUR	1	18109	8.77\$	1.44 JUN	1.61	24.38	-1.5	38.7	15.1	5.9	177.9	18.4	441.4
*	GOLDEN CORRAL #	OC-GCRA	1	1480	9.30	1.25 MAR	1.25	11.25	4.7	-4.3	9.0	11.1	21.0	13.4	16.7
*	F-GRUB&ELLS REIT	OC-GRIT	4	2500	9.09	0.88 JUN	0.85 ↑	8.50	3.0	9.7	10.0	10.4	-6.5	9.4	21.3
*	GUILD MTG INVSTMT	AS-GUM	3	2770	9.26	0.00 ---	0.00	9.88	5.3	-1.3	0.0	0.0	6.6	0.0	27.4
*	HARRIS-TEETER PRP	AS-HTP	2	2320	9.05	0.00 ---	0.00	10.63	6.3	6.3	0.0	0.0	17.4	0.0	24.7
*	HEALTH CARE PR#	NY-HCP	1	8136	20.69	2.32 MAR	2.30	28.13	2.3	34.7	12.2	8.2	35.9	11.1	228.8
A	HEALTH CARE REIT	AS-HCN	3	4299	10.09	1.56 ↑ JUN	1.62 ↑	17.38	-3.5	18.8	10.7	9.0	72.2	16.1	74.7
*	HEALTHVEST #	AS-HVT	1	6014	18.74	0.00 JUN	0.72	21.88	4.8	9.4	30.4	0.0	16.7	3.8	131.6
C	HMC PROP INV	AS-HMG	1	1204	16.52	0.60 ← JUN	0.25 ↓	9.25	-7.5	-16.9	37.0	6.5	-44.0	1.5	11.1
B	F-HOLLYWOOD PK RLTY	OC-HTRFZ	1	3824	6.28	1.60 MAR	0.65 ↓	23.50	0.0	17.5	36.2	6.8	274.2	10.4	89.9
B	F-HOTEL INVESTORS#	NY-HOT	1	4033	11.43	2.00 MAY	0.28 ↓	22.63	-1.1	9.0	80.8	8.8	97.9	2.4	91.2
B	HOTEL PROPS-A#	AS-HPS	1	3792	13.01	2.10 MAR	1.48 ←	20.63X	2.4	7.1	13.9	10.2	58.5	11.4	78.2
A	HRE PROPERTIES	NY-HRE	1	5905	23.66	2.28 APR	1.96	25.13	1.0	2.6	12.8	9.1	6.2	8.3	148.4
*	ICM PROP INVSTR	NY-ICM	2	5761	18.61	1.40 JUN	1.06	14.63	6.4	-0.8	13.8	9.6	-21.4	5.7	84.3
A	INTL INCOME PR#	AS-IIP	1	11297	8.42\$	1.00 ← MAR	0.64 ↓	12.25X	-1.0	12.6	19.1	8.2	45.5	7.6	138.4
*	INVG MTG SECS	OC-INVG	3	682	41.95	5.86 MAR	19.68	16.50	-13.2	-43.1	0.8	35.5	-60.7	46.9	11.3
A	IRT PROPERTY CO#	NY-IRT	2	7968	9.58	1.28 JUN	1.35 ←	18.50X	10.7	42.3	13.7	6.9	93.1	14.1	147.4
B	JMB REALTY	OC-JMBRS	2	1423	17.11	1.64 MAY	2.55 ↓	17.00	6.3	3.0	6.7	9.6	-0.6	14.9	24.2
A	L&N HOUSING	NY-LNC	4	2200	23.57	2.36 JUN	2.42	29.50	-0.8	-6.3	12.2	8.0	25.2	10.3	64.9
*	F-LANDSING INST V	OC-LANVS	2	5680	8.62\$	0.60 JUN	0.41	3.75	-28.6	-61.5	9.1	16.0	-56.5	4.8	21.3
*	LINCOLN NC RL FND	AS-LRF	2	1998	13.19	1.48 JUN	1.16	13.50	5.9	-0.9	11.6	11.0	2.4	8.8	27.0
*	F-LINPRO SPECFD PROP	AS-LPO	1	1856	8.96	0.00 ---	0.00	9.50	-1.3	-5.0	0.0	0.0	6.0	0.0	17.6
A	LOMAS & NET MTG	NY-LOM	3	11625	23.41	2.69 ← JUN	2.62 ↓	31.75	1.6	21.0	12.1	8.5	35.6	11.2	369.1
*	LOMAS MTG CORP	NY-LMC	3	5600	18.55	2.08 JUN	2.00	24.63	5.3	21.6	12.3	8.4	32.7	10.8	137.9
*	MEDITRUST	OC-MTRUS	1	1840	18.71	2.36 MAR	1.82	26.00	-1.0	33.3	14.3	9.1	39.0	9.7	47.8
*	MELLON PART MTG	OC-MPMTS	4	8645	9.38	1.00 MAR	1.10 ↑	10.38	3.8	18.6	9.4	9.6	10.6	11.7	89.7
B	MONY RL EST INV	NY-MYM	2	10207	9.61	0.88 MAY	0.79	10.00	5.3	12.7	12.7	8.8	4.1	8.2	102.1
A	MORTGAGE GROWTH	AS-MTG	2	5952	14.83	1.60 MAY	1.51	21.50	4.9	22.9	14.2	7.4	45.0	10.2	128.0
*	MSA REALTY CORP	AS-SSS	1	2455	8.12	1.00 ← JUN	0.46 ↑	10.88	1.2	24.3	23.6	9.2	33.9	5.7	26.7
A	MTG & RLTY TRUST	NY-MRT	3	8077	15.85	1.87 MAR	2.01	21.25	-3.4	18.9	10.6	8.8	34.1	12.7	171.6
*	MTG INVSTMTS PLUS	AS-MIP	4	9020	9.06	0.80 JUN	0.80	7.50	5.3	-13.0	9.4	10.7	-17.2	8.8	67.7
C	NATL CAPITAL RE	OC-NCETS	1	3645	3.41\$	0.00 MAR	-0.81 ←	2.00	-11.1	-38.5	0.0	0.0	-41.3	-23.8	7.3
A	NEW PLAN RLY TR#	NY-NPR	1	20629	5.04\$	0.78 ↑ APR	1.24	13.88	0.0	25.2	11.2	5.6	175.3	24.6	286.2
*	F-NOONEY RLTY TR#	OC-NRTI	1	867	17.17	0.80 ↓ JUN	1.43 ↑	16.75	-6.9	-16.3	11.7	4.8	-2.4	8.3	14.5
B	ONE LIBERTY PR#	OC-TIRE	1	1513	14.40	1.72 JUN	1.63 ↑	17.50	0.7	18.6	10.7	9.8	21.5	11.3	26.5
*	PAINEWEBB RES MTG	AS-PWM	3	5270	9.16	0.00 MAR	1.20	10.13	5.2	1.3	8.4	0.0	10.5	13.1	53.4
A	PENN REIT#	AS-PEI	1	5424	15.53	2.10 MAY	2.38 ↓	31.50	1.2	20.0	13.2	6.7	102.8	15.3	170.9
B	PITTS & WVA RR	AS-PW	1	1510	6.06	0.52 ← JUN	0.56 ←	6.38	2.0	18.6	11.4	8.2	9.2	9.2	9.6
B	PRESIDNTL RL-A#	AS-PDLA	2	479	2.35	1.20 ↑ MAR	1.49 ↓	13.38	0.9	-23.0	9.0	9.0	469.1	63.4	6.4
B	PRESIDNTL RL-B#	AS-PDLB	2	2786	2.35	1.20 ↑ MAR	1.49 ↓	11.88	0.0	-5.9	8.0	10.1	405.3	63.4	33.1
A	PROPERTY CAPITAL	AS-PCT	2	8869	11.50\$	1.64 ↑ JUL	1.87 ↑	24.25	-2.5	20.5	13.0	6.8	110.9	16.3	215.1
A	PROPERTY TR AMER#	OC-PTRAS	1	5062	10.81	1.20 ← MAR	1.08	11.13X	1.6	0.0	10.3	10.8	2.9	10.0	56.3
*	F-PRU RL CAPITAL	NY-PRT	1	11135	1.17\$	0.00 ---	0.00	1.25	0.0	-28.6	0.0	0.0	6.8	0.0	13.9
*	F-PRU RL INCOME #	NY-PRTRP	1	11135	8.00	0.70 ↑ MAR	0.72	7.75	-3.1	1.6	10.8	9.0	-3.1	9.0	86.3
*	F-RAINIER RLTY	OC-RRETS	4	3470	9.41	1.00 MAR	0.96	8.13	4.8	-3.0	8.5	12.3	-13.7	10.2	28.2
C	REALTY REFUND	NY-RRF	3	1021	18.29	1.51 ↑ JUL	1.51 ↑	17.00	2.3	23.6	11.3	8.9	-7.1	8.3	17.4
*	REALTY SOUTH	AS-RSI	4	1111	18.15	1.88 JUN	2.00	19.63	6.8	18.9	9.8	9.6	8.1	11.0	21.8
A	REIT OF CALIF#	OC-REITS	1	5822	11.07	1.28 JUN	1.27 ↑	17.50	9.4	22.8	13.8	7.3	58.1	11.5	101.9
*	F-RES PENSION 1	OC-RPSAS	4	5481	9.46	1.08 DEC	1.60	11.50	-2.1	-2.1	7.2	9.4	21.6	16.9	63.0
*	F-RES PENSION 2	OC-RPSBS	4	8893	8.89	0.96 DEC	0.78	9.75	-2.5	-15.2	12.5	9.8	9.7	8.8	86.7
*	RES PENSION 3	OC-RPSCS	4	8635	8.94	0.80 DEC	0.66	9.00	-5.3	-7.7	13.6	8.9	0.7	7.4	77.7
*	RESIDENTIAL MTG	AS-RMI	3	4020	9.21	0.00 ---	0.00	9.75	6.8	-2.5	0.0	0.0	5.9	0.0	39.2
*	ROCK CTR PROPS #	NY-RCP	4	37510	17.92	1.76 JUN	1.82	19.63	0.6	5.4	10.8	9.0	9.5	10.2	736.1
A	P-SANTA ANITA	NY-SAR	1	8215	16.60\$	2.04 JUN	1.63 ↓	29.00	11.5	23.4	17.8	7.0	237.2	19.0	238.2
*	F-SIERRA RE EQ82#	OC-SRES2	1	1586	6.94\$	0.70 MAR	0.38 ↓	9.75	0.0	-13.3	25.7	7.2	40.5	5.5	15.5
*	F-SIERRA RE EQ83#	OC-SRES	1	3030	7.93\$	0.65 MAR	0.45 ↑	9.38	1.4	-8.5	20.8	6.9	18.2	5.7	28.4
*	F-SIERRA RE EQ84#	OC-SETCS	1	4885	7.95\$	0.60 MAR	0.35 ↓	8.00	-9.9	-13.5	22.9	7.5	0.6	4.4	39.1
C	STORAGE EQUITIES	NY-SEQ	1	8917	16.02	1.40 JUN	1.42 ↓	15.75X	4.7	-13.7	11.1	8.9	-1.7	8.9	140.4
*	STRATEGIC MTG	NY-SIM	3	5465	19.05	2.24 ← JUN	2.15 ↑	20							



August 22, 1986

7

RANK	EXCH/ SYMBOL GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE AUG 06	FROM- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKZ	MKT VAL MIL \$		
C	ABRAMS INDS INC	OC-ABRI 9	1782	8.22	0.24	APR	0.32	6.75	5.9	17.4	21.1	3.6	-17.9	3.9	12.0
C	AMER CENTURY CORP	NY-ACT 8	3389	11.74	0.00	MAR	-2.03	3.75	-9.1	-26.8	0.0	0.0	-68.1	-17.3	12.7
* LP-AMER INSURED MTC	OC-AIMAZ 8	10000	19.52	1.60	JUN	1.69	19.38	-0.6	2.0	11.5	8.3	-0.7	8.7	193.8	
C	AMER PACESETTER	PS-AECP 9	1465	11.12	0.00	JUN	0.23	11.75	0.0	59.3	51.1	0.0	5.7	2.1	17.2
C	AMERICAN INV GP	OC-AINV9 9	3789	7.77	0.00	JUN	1.39	11.75	2.2	32.4	8.5	0.0	51.2	17.9	44.5
C	AMERICAN REALTY	AS-ARB 7	3506	9.41	0.00	JUN	0.57	7.00	-1.8	-11.1	12.3	0.0	-25.6	6.1	24.5
C	AMREP CORP	NY-AXR 6	4393	11.83	0.00	APR	2.15	24.38	-6.3	4.8	11.3	0.0	106.0	18.2	107.1
C	ANGELES CORP	AS-ANG 10	3481	5.40	0.00	MAR	-0.50	9.00	-5.3	10.8	0.0	0.0	66.7	-9.3	31.3
* LP-ANGELES FINC PTRS	AS-ANF 8	1051	18.20	1.94	MAR	1.92	17.75	7.6	5.2	9.2	10.9	-2.5	10.5	18.7	
B	BAY FINCL CORP	NY-BAY 7	3272	17.87	0.20	MAY	0.58	27.63	0.5	-3.1	47.6	0.7	54.6	3.2	90.4
C	BEI HOLDINGS	OC-BEIH 9	10320	3.69	0.00	APR	0.64	11.00	7.3	29.4	17.2	0.0	198.1	17.3	113.5
C	LP-BENEQUITY HLDGS	NY-BH 7	5746	7.67	1.20	JUN	1.56	22.75	2.2	17.4	14.6	5.3	196.6	20.3	130.7
D	BRITISH LAND AMER	NY-BLA 7	3689	2.33	0.00	MAR	-1.67	2.88	0.0	-30.3	0.0	0.0	23.4	-71.7	10.6
* LP-BURGER KING INV	NY-BKP 7	4635	18.99	1.88	JUN	1.38	19.88	1.3	-0.6	14.4	9.5	4.7	7.3	92.1	
C	CALTON INC	NY-CN 6	18000	1.69	0.00	MAY	0.36	6.13	0.0	-18.3	17.0	0.0	262.4	21.3	110.3
D	CAMPANELLI INDS	AS-CAP 6	1993	-0.67	0.00	APR	-4.13	0.50	0.0	-71.4	0.0	0.0	0.0	0.0	1.0
* CASTLE & COOKE	NY-CKE 9	41301	8.95	0.00	MAR	-1.32	16.88	5.5	29.8	0.0	0.0	88.5	-14.7	697.0	
C	CENTENNIAL GROUP	AS-CEG 6	1421	8.78	0.00	MAR	0.35	8.88	-5.3	-5.3	25.4	0.0	1.1	4.0	12.6
B	CENTEX CORP	NY-CTX 5	17872	18.34	0.25	JUN	2.69	31.50	2.4	24.1	11.7	0.8	71.8	14.7	563.0
C	CHAMPION HOME	AS-CHE 11	35950	1.47	0.00	MAY	-0.09	1.75	7.7	-12.5	0.0	0.0	19.0	-6.1	62.9
D	CHRISTIANA COS	NY-CST 6	2406	8.46	0.00	MAR	-0.37	5.25	5.0	-38.2	0.0	0.0	-37.9	-4.4	12.6
C	CITIZENS GROWTH	OC-CITGS 9	527	15.91	0.48	APR	0.82	14.25	0.0	-5.0	17.4	3.4	-10.4	5.2	7.5
B	CLAYTON HOMES	NY-CMH 11	10250	4.54	0.00	JUN	0.81	13.00	-3.7	-0.8	16.0	0.0	186.3	17.8	133.3
B	CCNGRESS ST PROPS	OC-CSTP 9	1272	12.00	0.00	MAY	0.52	11.00	0.0	-24.1	21.2	0.0	-8.3	4.3	14.0
B	COUNTRYWIDE CRDIT	NY-CCR 8	7939	3.98	0.32	MAY	0.86	17.50	5.3	107.0	20.3	1.8	339.7	21.6	138.9
B	COUSINS PROPS	OC-COVS 9	11424	4.02	0.32	JUN	1.57	18.25	1.4	36.9	11.6	1.8	354.0	39.1	208.5
E	COVINGTON TECH	OC-COVT 6	13540	0.79	0.00	JUN	-0.31	1.25	-9.1	100.0	0.0	0.0	58.2	-39.2	16.9
B	LP-CRI INS MTC INV	NY-CRM 8	9100	18.85	2.16	MAR	2.06	23.88	2.1	11.7	11.6	9.0	26.7	10.9	217.3
D	DELTONA CORP	NY-DLT 6	5233	4.51	0.00	JUN	1.21	6.25	-3.8	-12.3	5.2	0.0	38.6	26.8	32.7
C	DEVEL CORP AMER	AS-DCA 6	5942	13.53	0.00	JUN	0.78	13.00	-2.8	-15.4	16.7	0.0	-3.9	5.8	77.2
B	DISNEY (WALT)	NY-DIS 9	131288	9.36	0.32	JUN	1.62	46.00	1.9	63.0	28.4	0.7	391.5	17.3	6039.2
* LP-EQK GRN ACRES LP	NY-EGA 7	10173	9.30	0.00	---	0.00	10.00	0.0	0.0	0.0	0.0	7.5	0.0	101.7	
GP	EQUITEC FNCL GP	NY-EFG 10	4899	5.57	0.16	APR	0.76	7.63	-3.2	-20.8	10.0	2.1	36.9	13.6	37.4
B	FAIRFIELD COMM	NY-FCI 6	10625	11.26	0.20	MAY	0.51	8.63X	-13.3	-35.5	16.9	2.3	-23.4	4.5	91.6
C	FED NATL MTC	NY-FNM 8	73329	18.68	0.16	JUN	1.73	37.88	7.8	46.4	21.9	0.4	102.8	9.3	2777.3
B	FIRST CAROLINA	OC-FCARS 9	869	28.83	0.50	JUN	5.58	32.50	0.0	30.0	5.8	1.5	12.7	19.4	28.2
B	FIRST CITY INDS	NY-FCY 6	8703	9.26	0.00	JUN	-3.13	5.13	-2.4	-32.8	0.0	0.0	-44.7	-33.8	44.6
A	FLEETWOOD ENTER	NY-FLE 11	23285	11.98	0.52	APR	1.69	23.25	5.1	-4.6	13.8	2.2	94.1	14.1	541.4
B	FOREST CITY-A#	AS-FCE-A 7	4053	18.57	0.30	APR	2.20	33.00	6.5	26.9	15.0	0.9	77.7	11.8	133.7
B	FOREST CITY-B#	AS-FCE-B 7	3896	18.57	0.18	APR	2.20	32.75	3.1	27.2	14.9	0.5	76.4	11.8	127.6
C	FPA CORP	AS-FPO 6	3995	11.87	0.00	MAR	0.24	8.38	-4.3	-20.2	34.9	0.0	-29.4	2.0	33.5
D	GEMCRAFT INC	OC-GEH 6	5138	2.90	0.00	JUN	1.47	9.50	2.7	4.1	6.5	0.0	227.6	50.7	48.8
B	GENERAL DEVLPMT	NY-GDV 5	7500	10.61	0.00	JUN	3.17	18.63	5.7	20.2	5.9	0.0	75.5	29.9	139.7
C	GENERAL HOMES	NY-GHO 5	15009	10.21	0.00	JUN	1.13	11.50	9.5	95.7	10.2	0.0	12.6	11.1	172.6
A	LP-GOALT INVSTRS LP	AS-GLP 7	1515	5.66	0.00	---	0.00	36.25	-5.2	42.0	0.0	0.0	540.5	0.0	54.9
C	GREAT AMER M&I	OC-GAMI 8	6517	14.22	0.00	APR	-2.76	17.00	0.0	9.7	0.0	0.0	19.5	-19.4	110.8
B	GRUBB & ELLIS	NY-GBE 10	14550	3.70	0.08	JUN	0.07	5.88	14.6	-39.7	83.9	1.4	58.8	1.9	85.5
B	HALLWOOD GROUP	NY-HWG 9	4555	16.15	1.12	APR	1.46	20.13	1.9	15.0	13.8	5.6	24.6	9.0	91.7
C	HAMMOND CO	OC-THCO 8	2117	4.12	0.00	JUN	-0.01	6.75	0.0	68.8	0.0	0.0	63.8	-0.2	14.3
D	HOMAC INC	OC-HOMC 6	1883	7.29	0.00	JUN	-1.31	3.25	-7.1	8.3	0.0	0.0	-55.4	-18.0	6.1
C	HOVNIANIAN ENTR	AS-HOV 6	10562	4.75	0.00	MAY	1.31	18.75	-2.6	151.8	14.3	0.0	294.7	27.6	198.0
D	INDIANA FNCL INV	OC-IFII 7	977	9.05	0.00	MAR	0.92	6.50	0.0	48.6	7.1	0.0	-28.2	10.2	6.4
C	INTEGRATED RESC	NY-IRE 10	7603	18.36	0.00	JUN	-0.80	20.00	0.6	-19.2	0.0	0.0	8.9	-4.4	152.1
C	INTERGROUP CORP	OC-INIG 7	1201	13.24	0.00	DEC	0.95	10.75	0.0	0.0	11.3	0.0	-18.8	7.2	12.9
* INTL AMER HOMES	OC-HOME 6	4652	2.15	0.00	JUN	0.13	5.25	0.0	10.5	40.4	0.0	0.0	144.2	6.0	24.4
B	JOHNSTOWN AMER-A	AS-JAC 10	8435	2.92	0.00	MAY	0.24	3.75	-6.3	-38.8	15.6	0.0	28.4	8.2	31.6
B	JUSTICE INVSTMT	OC-JICO 6	3020	5.57	0.09	APR	-1.46	1.88	25.0	-57.1	0.0	4.8	-66.3	-26.2	5.7
C	K&B HOME CORP	NY-KBH 5	27000	5.06	0.12	MAY	0.91	12.75	6.3	6.3	14.0	0.9	152.0	18.0	344.3
B	KAUFMAN & BROAD	NY-KB 9	9879	12.37	0.33	MAY	1.96	20.50	3.8	82.2	10.5	1.6	65.7	15.8	202.5
A	KOGER CO#	AS-KGR 7	10310	12.80	2.40	MAR	1.46	28.75	7.0	13.9	19.7	8.3	124.6	11.4	296.4
A	KOGER PROPS#	NY-KOG 7	8920	7.20	2.60	MAR	1.96	30.25	3.4	16.3	15.4	8.6	320.1	27.2	269.8
C	LANDMARK LAND	AS-LML 9	7976	9.21	0.40	JUN	0.96	19.00	-6.7	-9.5	19.8	2.1	106.3	10.4	151.5
C	LEISURE+TECH	AS-LVX 6	3793	2.84	0.00	JUN	0.40	5.13	-4.7	-25.5	12.8	0.0	80.5	14.1	19.4
B	LENNAR CORP	NY-LEN 5	8716	16.70	0.20	MAY	1.22	16.00	2.4	26.7	13.1	1.3	-4.2	7.3	139.5
C	LEVITT CORP	AS-LVT 6	3400	6.74	0.00	JUN	0.46	11.13	25.4	93.5	24.2	0.0	65.1	6.8	37.8
* LOAN AMER FNCL-B	OC-LAFBC 8	1984	5.87	0.00	JUN	0.85	15.25	1.7	22.0	17.9	0.0	0.0	159.8	14.5	30.3
A	LOMAS & NET FINC	NY-LNF 8	19223	16.39	1.64	JUN	3.29	49.00	6.5	33.3	14.9	3.3	199.0	20.1	941.9
C	MAJOR REALTY	OC-MAJR 6	5945	1.01	0.00	JUN	-0.44	9.38	4.2	13.6	0.0	0.0	828.2	-43.6	55.7
A	MDC HOLDINGS	NY-MDC 5	17606	7.15	0.36	JUN	1.97	15.50	6.9	31.9	7.9	2.3	116.8	27.6	272.9
B	MISSION WEST PR	AS-MSW 6	1553	11.43	0.28	MAY	0.46	10.88X	0.6	38.1	23.6	2.6	-4.9	4.0	16.9
D	NATIONAL ENTRPRS	NY-NEI 11	7397	2.25	0.00	JUN	0.04	4.88	2.6	8.3	121.9	0.0	116.7	1.8	36.1
C	NE MORTGAGE CO	AS-NM 8	5130	2.52	0.20	JUN	0.92	10.38X	3.0	1.2	11.3	1.9	311.7	36.5	53.2
B	LP-NEWHALL INV PR#	NY-NIP 7	4440	7.57	4.80	MAR	5.92	17.63	3.7	7.6	3.0	27.2	132.8	78.2	78.3
B	LP-NEWHALL LAND	NY-NHL 9	18871	3.25	0.48	JUN	2.38	38.00	0.0	20.2	16.0	1.3	1069.2	73.2	717.1
C	LP-NVHOMES LP	AS-NVH 6	9900	2.18	0.00	JUN	1.05	10.00	3.9	-16.7	9.5	0.0	358.7	48.2	99.0
C	ORIOLE HOMES-A	AS-OHC-A 6	1957	9.30	0.15	JUN	0.82	7.38	3.5	5.4	9.0	2.0	-20.7	8.8	14.4
C	ORIOLE HOMES-B	AS-OHC-B 6	1984	9.30	0.20	JUN	0.82	7.25	3.6	7.4	8.8	2.8	-22.0	8.8	14.4
C	PARKWAY COMPANY	OC-PKY 9	1300	23.35	0.00	MAR	1.25	21.75	-3.3	10.1	17.4	0.0	-6.9	5.4	28.3
* PATTEN CORP	OC-PAIN 6	3900	3.81	0.00	JUN	1.49	30.25	8.0	195.1	20.3	0.0	0.0	694.0	39.1	118.0
* PERINI INV PFD	AS-PNVP 13	1650	10.00	1.10	---	0.00	13.38	3.9	12.6	0.0	8.2	33.8	0.0	22.1	
* PERINI INV PR#	AS-PNV 7	3342	-2.52	0.48	JUN	1.00	15.00	0.0	30.4	15.0	3.2	0.0	0.0	50.1	
* PRINCEVILLE DEV	OC-PVDC 6	8740	3.94	0.16	MAY	0.21	10.38	1.2	56.6	49.4	1.5	163.3	5.3	90.7	
* PROP INV COLO	OC-PRCLS 6	5070	0.37	0.00	MAR	-2.17	0.38	-14.8	-83.8	0.0	0.0	1.4	-586.5	1.9	
B	PULTE HOME CORP	NY-PHM 5	23694	7.26	0.12	JUN	0.69	13.25	8.2	-3.6	19.2	0.			



RANK		EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE AUG 06	FROM-- JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BKX	MKT VAL MIL \$	
* C	RIDGEWOOD PROPS	OC-RWPI	7	996	34.77	0.00	MAY 1.78	23.75	0.0	1.1	13.3	0.0	-31.7	5.1	23.7	
C	RIVER OAKS INDS	NY-ROI	11	12053	1.09	0.00	MAR -0.52	0.69	-44.8	-79.6	0.0	0.0	-36.7	-47.7	8.3	
A	ROCKWOOD NATL	PS-RNC	6	9625	1.71	0.00	JUN 0.43 ↓	3.50	-6.7	-15.2	8.1	0.0	104.7	25.1	33.7	
C	ROUSE CO#	OC-ROUS	7	31055	6.59\$	0.60	MAR 0.61 ↑	31.50	6.8	20.0	51.6	1.9	378.0	9.3	978.2	
B	RYAN HOMES	NY-RYN	5	6873	21.86	1.20	JUN 3.23 ↑	36.25	7.0	34.3	11.2	3.3	65.8	14.8	249.1	
A	RYLAND GROUP	NY-RYL	5	12440	6.54	0.40	JUN 1.48	19.63	13.8	33.1	13.3	2.0	200.1	22.6	244.1	
B	SANTA FE SO PAC	NY-SFX	9	169663	33.97	1.00	JUN 2.32	30.63X	4.2	-12.2	13.2	3.3	-9.8	6.8	5195.9	
C	SAUL (BF) REIT#	NY-BFS	7	5483	6.80\$	0.20	MAR -2.87	18.25	-0.7	13.2	0.0	1.1	168.4	-42.2	100.1	
B	SECURITY CAPITAL	AS-SCC	8	5882	11.06	0.20	JUN -0.06 ↓	7.75	1.6	-31.1	0.0	2.6	-29.9	-0.5	45.6	
B	SKYLINE CORP	NY-SKY	11	11217	11.32	0.48	MAY 0.93	14.75	4.4	-9.9	15.9	3.3	30.3	8.2	165.5	
D	SO ATLANTIC FIN	OC-SOAF	7	2973	2.91	0.00	JUN 0.81 ↑	10.00	8.1	86.0	12.3	0.0	243.6	27.8	29.7	
C	SOUTHLAND FINCL	OC-SFIN	7	16768	11.67	0.52	MAR -1.30	16.00	-5.9	-23.8	0.0	3.3	37.1	-11.1	268.3	
B	SOUTHMARK CORP	NY-SM	9	44310	9.78	0.24	MAR 2.03	10.63	21.4	25.3	5.2	2.3	8.6	20.8	470.8	
C	LP-SOUTHWEST RLTY#	AS-SWL	7	3442	7.77\$	0.00	MAR 1.75 ↓	4.50	-21.7	-51.4	2.6	0.0	-42.1	22.5	15.5	
C	STARRETT HOUSING	AS-SHO	6	5556	3.36	0.00	JUN -0.01 ↓	18.38	10.5	-1.3	0.0	0.0	446.9	-0.3	102.1	
B	STD PACIFIC	NY-SPF	5	11586	9.00	0.40	JUN 2.08 ↑	31.00	16.4	94.8	14.9	1.3	244.4	23.1	359.2	
B	SUNLITE INC	OC-SNLT	9	3238	5.13	0.00	MAR -0.13	3.50	-3.4	-15.2	0.0	0.0	-31.8	-2.5	11.3	
*	SUNSTATES CORP	OC-SUST	9	514	31.82	0.00	MAR -4.37	11.25	-2.2	2.3	0.0	0.0	-64.6	-13.7	5.8	
C	THACKERAY CORP	NY-THK	9	5107	3.35	0.00	JUN 0.06 ↓	9.88	2.6	-16.0	164.6	0.0	194.8	1.8	50.4	
C	TIERCO GP INC	OC-TIER	7	2126	9.44	0.00	MAR -1.76	6.75	0.0	-20.6	0.0	0.0	-28.5	-18.6	14.4	
C	TOLL BROS	NY-TOL	5	10000	2.23	0.00	APR 0.58	11.25	12.5	-10.0	19.4	0.0	404.5	26.0	112.5	
B	TRANSAMER RLTY	NY-TAR	7	2818	12.74\$	1.00	MAY -0.27	14.38	2.7	13.9	0.0	7.0	12.8	-2.1	40.5	
B	LP-UDC-UNIVRSL DEV	NY-UDC	6	10652	7.11	2.67	JUN 3.18 ↑	23.00	8.9	40.1	7.2	11.6	223.5	44.7	245.0	
B	UNICORP AMER	AS-UAC	7	7345	12.60\$	0.60	JUN 1.47 ↓	14.00	3.7	24.4	9.5	4.3	11.1	11.7	102.8	
*	UNICORP B PFD	AS-UAC.B	13	2196	12.50	0.75	---	0.00	16.63	3.9	16.7	0.0	4.5	33.0	0.0	36.5
C	US CAPITAL CORP	OC-USCC	6	10490	2.15	0.00	JAN -1.01	2.75	0.0	-18.5	0.0	0.0	27.9	-47.0	28.8	
C	US HOME CORP	NY-UH	5	39813	5.35	0.00	JUN -2.40 ↓	6.25	-2.0	8.7	0.0	0.0	16.8	-44.9	248.8	
Z	US SHELTER CORP	OC-USSS	10	9445	2.95	0.06	JUN -0.16 ↓	3.00	4.3	-27.3	0.0	2.0	1.7	-5.4	28.3	
* LP	VMS MORTGAGE INV	OC-VMLPZ	8	7629	8.80	1.08	MAR 0.97	9.75	0.0	4.0	10.1	11.1	10.8	11.0	74.4	
C	VQUEST INC	AS-VY	11	3849	7.55	0.00	MAY 0.55	7.13	-3.4	14.0	13.0	0.0	-5.6	7.3	27.4	
C	WASHINGTON CORP	PH-TWC.X	6	1987	4.74	0.10	JUN -0.09 ↓	4.38	-7.9	12.9	0.0	2.3	-7.7	-1.9	8.7	
*	WASHINGTON HOME	AS-WHI	6	3112	5.91	0.00	APR 1.90	18.50	10.4	91.5	9.7	0.0	213.0	32.1	57.6	
C	WEBB (DEL E) CORP	NY-WEB	9	7713	14.20	0.20	JUN 2.00 ↓	23.00	1.7	8.9	11.5	0.9	62.0	14.1	177.4	
L	WESPAC INVSTR	OC-WESPS	12	5954	2.60	0.19	FEB -0.60	4.63	-5.1	-28.8	0.0	4.1	77.9	-23.1	27.5	
* LP	WINTHROP INS MTC	AS-WMI	8	3868	17.05	1.68	MAR 2.59	17.88	8.3	-8.3	6.9	9.4	4.8	15.2	69.1	
B	WRITER CORP	OC-WRTC	6	4120	8.79	0.15	JUN 0.29 ←	7.50	0.0	-11.8	25.9	2.0	-14.7	3.3	30.9	
B	ZIMMER CORP	AS-ZIM	11	4657	3.61	0.00	JUN -1.06 ↓	4.00	6.7	-20.0	0.0	0.0	10.8	-29.4	18.6	

## COMPARATIVE REALTY STOCK GROUP AVERAGE 08/20/86

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	% CHANGE FROM AUG 06	FROM JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL(000)
1 PROPERTY REITS	40	6	46	5827	10.93	1.18	1.07	15.69	1.6	10.0	14.7	7.5	43.6	9.8	4475.5
2 PROP & MTC COMB REITS	18	3	21	5124	12.46	1.33	1.32	15.24	3.1	2.0	11.6	8.7	22.3	10.6	1776.6
3 MORTGAGE REITS	16	3	19	5781	15.11	1.71	2.19	15.97	1.5	9.4	7.3	10.7	5.6	14.5	1839.0
4 PARTICIPATING MTC REITS	13	0	13	7855	12.39	1.24	1.20	13.00	0.5	0.1	10.9	9.5	4.9	9.7	1400.9
5 MAJOR HOMEBUILDERS	8	4	12	16509	10.03	0.25	1.40	18.63	7.8	29.3	13.3	1.4	85.8	13.9	3159.6
6 OTHER BLDRS/DEVELOPERS	9	26	35	5772	5.53	0.11	0.09	9.18	1.4	10.2	104.3	1.2	66.1	1.6	1870.3
7 INCOME PROP BLDR/OWNR	14	12	26	5757	10.63	0.65	0.79	18.05	1.1	11.7	22.8	3.6	69.9	7.5	3153.2
8 MORTGAGE BANKER/FINANCE	11	4	15	10561	12.92	0.86	0.80	18.48	3.6	15.1	23.1	4.6	43.0	6.2	4727.6
9 DIVERSIFIED RLTY&HOLDING	12	9	21	22722	12.97	0.27	1.01	18.49	1.4	17.0	18.2	1.4	42.5	7.8	14284.5
10 RLTY SVCS/SYNDICATORS	3	3	6	8069	6.48	0.05	-0.07	8.21	0.0	-21.2	0.0	0.6	26.6	-1.0	366.2
11 MANUFACTURED HOUSING	3	6	9	13157	5.69	0.15	0.30	8.56	1.9	-8.8	28.9	1.7	50.6	5.2	1067.8
L LIQUIDATING COMPANIES	1	0	1	5954	2.60	0.19	-0.60	4.63	-5.1	-28.8	NC	NC	77.9	NC	27.5
P PREFERRED STOCKS	2	0	2	1923	11.25	0.93	0.00	15.00	3.9	14.8	NC	NC	33.3	NC	58.6
OVERALL AVERAGE			226	8699	10.58	0.78	0.94	14.89	2.1	9.9	15.8	5.3	40.8	7.4	38207.3
DOW JONES INDUSTRIALS							96.43	1881.33	5.7	21.6	19.5	3.6			
STANDARD & POOR'S 500							14.59	249.77	5.5	18.2	17.1	3.3			
DOW JONES UTILITIES							19.40	219.15	7.7	25.4	11.3	6.8			

## REALTY STOCK RANKINGS

REALTY STOCK REVIEW has developed its exclusive Rankings of real estate stocks to indicate how each stock stands fundamentally in terms of its past, present and future. Rankings from "A" (highest) to "E" (lowest), shown in the first column in the statistical tables, are assigned based on:

(1) **Earnings and dividend growth and stability** over the past five years (the past - roughly 40%); Companies with over two but less than five years of operations score lower here, hence have lower overall Rank.

(2) **Financial measures** including leverage and liquidity and match of asset/liability maturities in the balance sheet (the present - about 40%); and

(3) **Exposure** to outside economic and competitive forces and management's ability to control its business destiny thru leverage and planning (our subjective estimate of the future - 20%).

Being rooted in historical factual analysis, Rankings are not based upon current price and thus are not intended as recommendations. A highly-Ranked stock may become overpriced or underpriced during trading, and vice versa. Rankings are given without regard to whether the entity subscribes to RSR. Other entries in the Ranking column denote:

--An asterisk (\*) denotes stocks which cannot be ranked because of insufficient (generally less than two years) operating history in present form, or newly organized companies, or incomplete or non-comparable data.

--(Z) denotes entities which currently retain Audit or its investment banking affiliate, Campbell & Dillmeier, for specific assignments; and entities for which C&D is acting as non-retainer intermediary for a publicly announced proposed transaction.

--(L) denotes non-ranked liquidating entities.

## NOTES TO COMPARATIVE STATISTICS - PAGES 6-8

All facts are on a per-share basis except computed ratios and market values. Each stock is classed in an industry group, numbered as in the Comparative Group Average Table on Page 5. Only historical data, or annualizations, are used; **earnings are not estimates.**

**Annualized Dividend and Yield:** The latest quarterly (or monthly) payout multiplied by 4 or 12. Since REITs must pay out 95% of EPS to be exempt from Federal income taxes, REIT dividends may vary.

**Earnings and Price/Earnings Ratio:** Computed from the latest (trailing) 12 months' earnings per share, except for cash flow companies. **Cash flow entities**, denoted with symbol "H" after their name, are those for whom net cash flow is the most meaningful measure of results. Net cash flow (defined as net income plus depreciation and partnership payments less mortgage amortization) on a per share basis (CFS) is used in place of earnings. Accumulated depreciation is added to historic book value for consistency.

**Book value per share** is tangible net worth after deducting intangibles (unamortized debt discount and expenses, etc.) for all companies except the following: INTANGIBLES PER SHARE (MAINLY GOODWILL) NOT DEDUCTED ARE: Amrep/\$1.42; Investors GNMA/\$27.44; Landmark Land/\$15.02; Johnstown Am./\$9.22; Security Cap./\$19.57; Vquest/\$11.44; Thackeray/\$3.55; MIW Inv.Wash./\$3.67; First City/\$18.79; U.S.Home/\$0.57; Rockwood/\$0.15; Equitec/\$5.79; Lomas Fincl./\$9.27. Book value does not reflect asset value appreciation, for which see Appraised Value table, p. 5.

## SYMBOLS &amp; ABBREVIATIONS

Arrows show direction of new EPS, dividend, or Rankings.

# = Net Cash Flow; See above definition.

Last bid prices are shown for over-the-counter stocks.

Exchanges: PH=Philadelphia; BO=Boston; PS=Pacific.

VJ=in bankruptcy reorganization; Y=Emerged from Ch. XI.

P=Paired stock. \$=Appraised value reported; see p. 5.

F = Finite life REIT. LP = Limited partnership.